

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### James Salt Water Taffy Candy Company

#### New Jersey Manufacturing Extension Program

#### James Salt Water Taffy Candy Company Meets The Challenge Of Seasonal Demand

**Client Profile:**

James Salt Water Taffy Candy Company was founded in the 1880's in Atlantic City, New Jersey. The family-owned company, now employing 50 people, manufactures salt water taffy and fudge for its own retail outlets in six southern New Jersey resort locations. The company currently generates approximately \$5 million in annual sales.

**Situation:**

In 2001, James Salt Water Taffy Candy Company realized that slow delivery times from the manufacturing facility were causing retail stock-outs during peak seasons and hurting sales in stores. Frank Glaser, president of James Salt Water Taffy Candy Company, approached the New Jersey Manufacturing Extension Program (NJMEP), a NIST MEP network affiliate, for assistance.

**Solution:**

NJMEP assessed the situation and determined that by making lean changes to the manufacturing process, James Salt Water Taffy Candy Company could improve its on-time delivery rates. First, NJMEP conducted lean manufacturing training for James Salt Water Taffy Candy Company employees, and then led them through a value stream mapping exercise to pinpoint inefficiencies and bottlenecks in production operations. NJMEP also began implementation on a project to introduce cellular flow manufacturing to the company.

Once the foundation work had been completed, NJMEP brought in partner Tim Swanson of TSG Associates to design, implement, and manage a lean manufacturing transformation program for James Salt Water Taffy Candy Company. TSG Associates provided on-site lean manufacturing technical assistance to the company. In just a few short months, the company saw significant improvement in product flow and overall organizational flow. By switching from batch process manufacturing to a pull system, the company is better able to monitor demand for certain products and can plan accordingly. As of October 2002, James Salt Water Taffy Candy Company had completely eliminated retail stock outs and is better prepared to meet seasonal demand.

**Results:**

Significantly improved product flow from one department to another.  
Reduced inventory by 30 percent.

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Eliminated stock-outs in retail stores.

Implemented a pull manufacturing system.

Cross-trained employees to improve morale, employee retention, and employee skills.

Made overall organizational improvements.

### **Testimonial:**

"For a small manufacturer with limited resources of time and money, embarking on a change of the magnitude we undertook this year was a leap of faith. This is especially true in our case since the bulk of our sales are seasonal. I quickly found that I relied upon New Jersey Manufacturing Extension Partnership's expertise to guide us, not only in lean manufacturing, but also in a host of internal manufacturing problems that potentially could have effected our lean transformation."

Frank Glaser, President